VA Financial Policies and Procedures
Franchise Fund

CHAPTER 2B

0201 OVERVIEW

The Department of Veterans Affairs (VA) Franchise Fund was established under the authority of the Government Management Reform Act of 1994 and the VA and Urban Development and Independent Agencies Appropriations Act of 1997, section 403 of Public Law 103-356. Created as a revolving fund not subject to fiscal year limitations, the VA Franchise Fund began providing common administrative support services to VA and other Government agencies in 1997 on a fee-for-service basis. In 2006, under the Military Quality of Life and Veterans Affairs Appropriations Act, Public Law 109-114, permanent status was conferred upon the VA Franchise Fund.

The VA Franchise Fund comprises an administrative office (Franchise and Trust Fund Oversight Office) and six self-supporting lines of business (Enterprise Centers). The Enterprise Centers financed through the Fund are:

- Austin Information Technology Center
- Debt Management Center
- Financial Services Center
- Law Enforcement Training Center
- Records Center and Vault
- Security and Investigations Center.

The Directors of the individual Enterprise Centers and their staffs are responsible for customer liaison and coordination, business planning and development, staffing and execution of day-to-day business activities consistent with their annual business plans. The Franchise Fund Board of Directors is composed of representatives from the three VA organizations that manage the Enterprise Centers (the Office of Management; Office of Operations, Security and Preparedness; and Office of Information and Technology), major organizations within VA, i.e., Veterans Health Administration (VHA), Veterans Benefits Administration (VBA) and National Cemetery Administration (NCA) and pertinent VA staff offices. See Appendix A for the Franchise Fund's Charter.

0202 POLICIES

020201 All annual budgets and rates will be voted on and approved by the Board of Directors based on recommendations from the Franchise Fund Budget Committee.

020202 Capital investment decisions exceeding the lesser of 10 percent of gross annual revenues or $250,000 must be reviewed by the Budget Committee and approved by the Board before commitment of funds.

020203 Resource requirements that are under the above thresholds and for which funds are available within the Enterprise Center are at the discretion of the Enterprise Center Director.

020204 Changes in business plans that represent a greater than 40 percent modification in expenses or revenues must be reviewed and approved by the Board in advance.

020205 A billing holiday is a tool that allows an Enterprise Center to liquidate excess reserves. For example, when a billing holiday is enacted, an Enterprise Center will forgo issuance of its monthly customer invoices, thereby reducing its current reserve levels. The following steps must be followed to assess and implement Enterprise Center billing holidays:

A. The Enterprise Center will analyze its current reserve levels (both capital and operating) to determine if any excesses exist and if a billing holiday is warranted. The Enterprise Center will consult with the Franchise and Trust Fund Oversight Office (FTO) during the process.

B. If the reserve analysis does yield a need for a billing holiday, the Enterprise Center will allocate the billing holiday to its customers based on the percentage of prior-year billings issued to that customer in proportion to total billings issued by the Enterprise Center during the previous fiscal year.

C. Upon completion of the billing holiday proposal by the Enterprise Center, in coordination with the FTO, the proposal will then be presented to the Franchise Fund Board of Directors for approval. <u>Note: No billing holiday can be issued without prior approval by the Franchise Fund Board of Directors.</u>

020206 The method of allocation of the Franchise and Trust Fund Oversight Office costs is agreed upon by all Enterprise Centers prior to implementation for the next fiscal year. For example, for FY 2009, the method utilized was the Franchise and Trust Fund Oversight Office budget split into 1/4 and 3/4. The first 1/4 of the total operating cost was split equally among the six Enterprise Centers. The remaining 3/4 of the costs were split among the Enterprise Centers based on their relative earnings for the previous fiscal year.

020207 Service Level Agreements (SLA) between the six Enterprise Centers and VA entities require the following:

A. Each SLA must refer to Public Laws 103-356 and 109-114 as the legislative authority for the agreement

B. A description of the supplies or services being procured

C. Delivery requirements of the supplies or services

D. A funds citation

E. A payment provision

F. A dispute resolution clause

G. A modification clause. This clause addresses several concepts pertaining to the agreement. The written agreement includes contract estimates and the requirement for an amendment when estimates are increased by 10 percent or more. An amendment is required for changes in major terms and conditions, such as changes to the period of service or authorizing individuals. Any modification to the SLA must be reviewed and approved by the respective Enterprise Center Director or the Enterprise Center Deputy Director.

Note: SLAs do <u>not</u> require a review by a contracting officer or a legal review.

020208 Franchise Agreements (FA) between the six Enterprise Centers and other Government agencies require the following:

A. FAs must refer to Public Law 103-356 and 109-114 as the legislative authority for the agreement

B. Delivery requirements of the supplies or services

C. A funds citation

D. A payment provision

E. A dispute resolution clause

F. FAs must be signed by all parties before supplies or services are initiated

G. In accordance with VA Acquisition Regulation (VAAR) 801.602-70, "*Legal/Technical review requirements to be met prior to contract execution,*" FAs of $5,000 or more will be forwarded to the General Counsel for legal review

H. FAs require a review by a warranted contracting officer. The warranted contracting officer must also sign the FA

I. FAs must reference a modifications clause.

020209 VA will obligate all transactions based on the criteria for recording obligations found in 31 U.S.C. 1501.

020210 All obligations made by the Franchise Fund, with both VA customers and other Federal Government agencies, must comply with three requirements relating to:

A. Purpose (bona fide need of the specified term for which the customer's appropriation is made),

B. Time (period of availability of the customer's appropriation) and

C. Amount (a reasonable estimate and money must be available in the customer's appropriation).

020211 A monthly review process must be implemented by every Enterprise Center to examine the collections report produced by the Enterprise Fund accountant at the Financial Services Center (FSC). The Enterprise Centers are responsible for reviewing the:

A. Status of obligations for uncollected amounts on contracts, contacting their specific customers if obligations need to be increased and conveying any additional obligation information to the FSC Enterprise Fund accountant

B. Year-to-date billing amounts and noting if they exceed the agreement amount by 10 percent or more; if so, this will require an amendment to the original agreement. If this increase of 10 percent or more is less than $500, an amendment to the original agreement is not necessary.

020212 The Enterprise Centers must capitalize property, plant and equipment (PP&E) with costs of $100,000 or more.

020213 The purchase price of a capital lease must satisfy the VA Franchise Fund's capitalization criteria.

A. If all substantial benefits and risks of ownership are transferred to the lessee, the lease is recorded as a capital lease. Substantial benefits and risks of ownership are deemed to have been transferred if any one of the following criteria has been met:

(1) The lease transfers ownership of the property to the VA Franchise Fund at the end of the lease term

(2) The lease contains an option for VA to purchase the leased property at a bargain price

(3) The lease term is equal to or greater than 75 percent of the estimated economic life of the leased property

(4) The present value of rental and other minimum lease payments equals or exceeds 90 percent of the fair value of the leased property.

B. When accounting for capital leases, the lessee records the capital lease as an asset and an obligation (liability) at an amount equal to the present value of the minimum lease payments at the beginning of the lease term.

C. If a lease agreement meets none of the four criteria set forth above, the lease is to be classified as an operating lease. The rental payments are charged to expense as the payments are made or become payable.

020214 The Franchise Fund cannot lend nor borrow funds without specific statutory authority.

020215 Enterprise Centers are not allowed to price services below their full cost.

020216 The Franchise Fund will perform under the Government Accountability Office's (GAO) 12 Business Operating Principles. See Appendix B.

020217 Public Law 109-114 also created a new IT Systems Appropriation for VA. All Franchise Fund payments for the Austin Information Technology Center (formerly the Austin Automation Center) services by VA organizations are to be included in the IT Systems appropriation. The payments to other Franchise Fund Services Enterprise Centers, excluding e-Payroll and e-Travel—Financial Services Center, Debt Management Center, Law Enforcement Training Center, Security and Investigations Center and VA Records Center and Vault—are not to be included in the IT Systems appropriation. Finally, purchases of IT equipment by the Franchise Fund Enterprise Center Organizations for its own use are not to be included in the IT Systems appropriation.

This was documented on June 21, 2006, by a joint memorandum signed by the Assistant Secretary for Management/Chief and the Senior Advisor to the Deputy Secretary and Supervisor for the Office of Information and Technology (OI&T). See Appendix C.

0203 AUTHORITY AND REFERENCES

020301 Section 403 of Public Law 103-356, 108 Stat. 3413, Treasury Franchise Fund

020302 Public Law 109-114, Military Quality of Life and Veterans Affairs Appropriations Act

020302 31 U.S.C. 1501, Documentary Evidence Requirement for Government Obligations

0204 ROLES AND RESPONSIBILITIES

020401 The Assistant Secretary for Management/Chief Financial Officer (CFO), as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309, oversees all financial management activities relating to the Department's programs and operations. Specific responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

020402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chief Accountants, and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

020403 The Office of Financial Policy (OFP) and the Franchise and Trust Fund Oversight Office are responsible for the information contained in this Chapter.

020404 The Board of Directors approves activities to be included in the Fund, reviews and approves budgets, identifies and approves actions to resolve problems in Funds operations and reviews studies of costs and service quality. The CFO serves as the Board Chairperson.

020405 The Assistant Secretary for Management/CFO, Assistant Secretary for Information Technology, Assistant Secretary for Operations, Security and Preparedness, General Counsel, Chief Financial Officer for the Veterans Health Administration, Chief Financial Officer for the Veterans Benefits Administration and the Chief Financial Officer for the National Cemetery Administration are primary voting members of the Board of Directors. All seven voting members must be present to represent a quorum.

020406 The Assistant Secretary for Human Resources and Administration, Assistant Secretary for Policy and Planning, Assistant Secretary for Public and InterGovernmental Affairs, Assistant Secretary for Congressional and Legislative Affairs, Chairman of the Board of Veterans Appeals and the Inspector General are ex-Officio non-voting members of the Board of Directors.

020407 The Franchise and Trust Fund Oversight Office Director is accountable to the Board for the overall financial operations of the Franchise Fund, manages the budget process, ensures that policy is properly implemented and shares the results of financial analyses with the Franchise Fund Board of Directors.

020408 The Enterprise Center Directors are responsible for ensuring the orderly and business-like management of their activities within the framework of laws and regulations affecting Government expenditures in general and for establishing and implementing such policies and procedures as may be necessary.

020409 The Franchise Fund Budget Committee serves as a working group for the Franchise Fund and is composed of representatives from each office represented on the Board. The Budget Committee is responsible for:

A. Monitoring and overseeing all rate-setting functions conducted by the various Enterprise Centers

B. Consulting with the Chairperson of the Board, the Deputy Assistant Secretary for Budget and appropriate office directors in the preparation, formulation and execution of the overall operating budgets for the Franchise Fund.

0205 PROCEDURES

020501 Outside of the annual Business Plan Update cycle, Enterprise Centers may adjust rates as follows:

A. Rate adjustments (upward or downward) less than or equal to 10 percent may be made without prior Board approval provided the customer documents agreement through a signed Service Level Agreement

B. Rate adjustments (upward or downward) in excess of 10 percent must be approved by the Board before implementation

C. Enterprise Centers must forward any rate adjustment (upward or downward) information to the Board through the Franchise and Trust Fund Oversight Office.

020502 Outside of the annual Business Plan Update cycle, Enterprise Centers may add new products as follows:

A. Enterprise Centers must forward information on new products to the Board through the Franchise and Trust Fund Oversight Office

B. Enterprise Centers must document customer agreement through a signed Service Level Agreement

C. Enterprise Centers must brief the Board about new product(s) at the next regularly scheduled meeting.

0206 DEFINITIONS

020601 Business Plan. A plan that identifies the resource requirements, competition, marketing strategies, products and anticipated revenues for an individual Enterprise Center.

020602 Franchise Fund. A type of intra-Governmental revolving fund that operates as a self-supporting entrepreneurial entity to provide common administrative services benefiting other Federal entities. These funds function entirely from the fees charged for the services they provide consistent with their statutory authority. The Franchise Fund does not receive an annual appropriation.

020603 Rate. The fees charged that are based on full cost, including amounts for the Capital and Operating Reserve. They are assigned to each type of product being provided, e.g., one hour of consulting or pieces of mail processed.

020604 Revolving Fund. A fund established by Congress to finance a cycle of business-like operations through amounts received by the fund. A revolving fund charges for the sale of products or services and uses the proceeds to finance its spending, usually on a self-sustaining basis. Instead of recording the collections in receipt accounts, the budget records the collections and the outlays of revolving funds in the same account.

0207 RESCISSIONS

This Chapter rescinds OF Bulletin 05GA1.01, Obligating Annual Funds to the Franchise Fund or Supply Fund, Section 2.e. and f. The Chapter further rescinds OF Bulletin 05GA1.03, The Period of Availability of Funds Pursuant to Inter-Agency and Intra-Agency Agreements, Section 2.b.1. and 2.b.2. and Section 3.

0208 QUESTIONS

Questions concerning these financial policies and procedures should be directed to the Franchise and Trust Fund Oversight Office.

Approved by Franchise Board of Directors on March 16, 2009

DEPARTMENT OF VETERANS AFFAIRS FRANCHISE FUND CHARTER

This Charter sets forth the purpose and legal authority for the Department of Veterans Affairs Franchise Fund, describes the functions of the Board of Directors of the Franchise Fund (hereafter referred to as the "Board"); assigns certain responsibilities for the Franchise Fund; and constitutes a framework within which the Board and management will function.

I. Franchise Fund

A. Purpose

The Franchise Fund provides for consolidated financing and accounting for business-type common service operations. It offers the following advantages:

1. Provides business-like incentives for productivity enhancement, customer orientation and management efficiency.

2. Stimulates cost awareness in both the Enterprise Centers and their customers through a "buyer-seller" relationship.

3. Provides managers of the Enterprise Centers the financial authority and flexibility required to effectively procure and use manpower, materials, and other resources.

4. By being a "no-year" fund, its operation funds are not subject to fiscal year limitation in their use.

B. Authority

1. “The Government Management Reform Act of 1994,” Public Law 103-356.

   This legislation authorizes a Franchise Fund to be available to government agencies as a pilot subject to annual reauthorization. Authorizes the head of six agencies to establish a Franchise Fund for common administrative services.

2. “Military Quality of Life and Veterans Affairs Appropriations Act 2006,” Public Law 109-114.

   This legislation confers permanent status to the VA Franchise Fund.

C. Franchise Fund Activities

1. Approved business-like services will be financed through the Franchise Fund.

2. The addition or deletion of any Enterprise Center will require approval by the Board of Directors and the Secretary of Veterans Affairs.

3. Franchise Fund customers may elect to cease doing business with a particular Enterprise Center and obtain services from an alternate source. This election should occur within a budget formulation cycle so that the impact on both the remaining customers and activity personnel can be addressed. Timeframes required to terminate service will be dependent upon the size and amount of the contract. Smaller customers will be able to withdraw quickly while larger customer withdrawals may require substantial time for adjustments. These timeframes will be established on a case by case basis as a negotiated agreement between the customer and the Board of Directors.

4. Each Enterprise Center in the Franchise Fund will be accounted for separately and will recover its full cost of operations.

5. Enterprise Centers financed through the Fund will include those listed here:

Austin Information Technology Center	Financial Services Center
Debt Management Center	Law Enforcement Training Center
Security and Investigations Center	VA Records Center and Vault

D. Definitions

Anticipated Revenues: Based on the Service Level Agreements between the customers and individual Enterprise Centers. These amounts will be reflected in individual Enterprise Centers business plans as well as summarized in the general Franchise Fund budget.

Apportionment: Quarterly spending levels within a Fund that are authorized by OMB. While the Fund will not have an appropriation, it will receive apportionments from OMB based on anticipated obligations.

Appropriation: Amount of federal funding appropriated by Congress. Franchise Fund Activities will not receive appropriations once they are fully operational.

Business Plans: Following an established Business Plan format, the annual business plans identify the resource requirements, competition, marketing strategies, products and anticipated revenues for an individual Enterprise Center.

Capital Reserve: This reserve is derived from revenues through charges for depreciation expenses. In addition, it may be supplemented by attaching an additional charge onto rates. The capital reserve is used to fund capital acquisitions.

Fund Budget: Includes all anticipated revenues for Enterprise Centers within the Fund, as well as the overhead expense for the Franchise & Trust Fund Oversight Office (FTO).

No Year Funds: Funds that are not tied to an annual appropriation and thereby may be carried over from year to year. Most revolving funds are no year.

Operating Reserve: This reserve amount is derived from revenues by attaching an additional charge onto rates. The operating reserve is used to fund periods of fluctuating workloads, and unanticipated expenditures.

Proxy: A Franchise Fund voting member authorized to act for another.

Proxy Document: A written document given by a Franchise Fund voting member authorizing a specific vote on their behalf at a board meeting.

Rate: The rates are the fees charged and are based on full cost, including amounts for the Operating Reserve. They are assigned to each type of product being provided, e.g., 1 hour of consulting, pieces of mail processed.

Retained Earnings: This reserve amount is derived from revenues and cannot exceed the percentage of gross annual revenue specified in the Fund appropriation.

Service Level Agreements: Formal agreements between the Enterprise Center and customers. They define the service/product, the performance measures and the cost of the service.

E. Fund Policies

- All annual budgets and rates will be voted on and approved by the Board of Directors based on recommendations from the Franchise Fund Budget Committee.
- Capital investment decisions exceeding the lesser of 10% of gross annual revenues or $250,000 must be reviewed by the Budget Committee and approved by the Board before commitment of funds.

- Resource requirements that are under the above thresholds and for which funds are available within the Enterprise Center are at the discretion of Enterprise Center Director.
- Changes in business plans that represent a greater than 40% modification in expenses or revenues must be reviewed and approved by the Board in advance.
- Outside of the annual Business Plan Update cycle, Enterprise Centers may adjust rates as follows:
  --Rate adjustments (upward or downward) less than or equal to 10% may be made without prior Board approval provided the customer documents agreement through a signed Service Level Agreement. Board notification is required.
  --Rate adjustments (upward or downward) in excess of 10% must be approved by the Board before implementation.
  --Enterprise Centers must forward any rate adjustment (upward or downward) information to the Board through the FTO.
- Outside of the annual Business Plan Update cycle, Enterprise Centers may add new products as follows:
  --Enterprise Centers must forward information on new products to the Board through the FTO.
  --Enterprise Centers must document customer agreement through a signed Service Level Agreement.
  --Enterprise Centers must brief the Board about new product(s) at the next regularly scheduled meeting.

II. Board of Directors

A. Purpose

The purpose of Board of Directors is to approve activities to be included in the Fund, review and approve budgets, identify and approve actions to resolve problems in Fund operations, and review studies of costs and service quality. The Board shall operate within the terms of the Charter.

B. Membership/Chairperson

The voting members of the Board of Directors are as follows:

Primary	Alternate
Assistant Secretary for Management	Principal Deputy Assistant Secretary for Management
Assistant Secretary for Information and Technology	Principal Deputy Assistant Secretary for Information and Technology
Assistant Secretary for Operations,	Deputy Assistant Secretary for Security

Security, and Preparedness	and Law Enforcement
General Counsel	Deputy General Counsel
Chief Financial Officer, Veterans Health Administration	Deputy Chief Financial Officer, Veterans Heath Administration
Chief Financial Officer, Veterans Benefits Administration	Deputy Chief Financial Officer, Veterans Benefit Administration
Chief Financial Officer, National Cemetery Administration	Deputy Chief Financial Officer, National Cemetery Administration

The Assistant Secretary for Management will serve as the Board Chairperson.

Each Primary voting member will identify the name of the designated Alternate shown above, in writing, to the FTO. Alternates will attend meetings in the absence of the Board member and their votes on issues will be binding.

Ex Officio (non-voting) Board members are as follows:

Assistant Secretary for Human Resources and Administration
Assistant Secretary for Policy and Planning
Assistant Secretary for Public and Intergovernmental Affairs
Assistant Secretary for Congressional and Legislative Affairs
Chairman of the Board of Veterans Appeals
Inspector General

Each Ex Officio member will identify, in writing to the FTO, a senior executive service position within his or her respective office to serve as a designated alternate.

Adding new Board members will require that this Charter be formally amended.

C. Responsibilities and Authorities

1. The Board will have the following responsibilities and authorities:

   a. Approve an annual budget request for submission to the Department, OMB, and Congress.

   b. Review annual audit of the Fund's financial condition.

c. Review management studies, cost studies, billing systems studies and other oversight reviews on the use of the Fund and the services provided.

d. Recommend to the Secretary any change in the scope of activities subject to the jurisdiction of the Fund and any request to withdraw activities from the Fund.

e. Approve the charges and fees for services and supplies furnished to customers.

f. Approve changes to policies and procedures governing all operations of the Fund.

g. Approve amendments to the Charter as necessary.

h. Make recommendations to the Secretary of Veterans Affairs on the addition or deletion of any Enterprise Center.

2. Chairperson of the Board

a. Calls meetings of the Board (regularly scheduled and special sessions).

b. Provides leadership in the development of agenda items, in the conduct of Board meetings, and in guiding Board discussions.

c. Provides staff necessary to successfully conduct Board meetings.

d. Votes on proposals presented to the Board.

e. Informs VA senior management of the major events and plans affecting activities covered by the Franchise Fund.

f. Recruits and supervises, directly or indirectly, the Franchise Fund Director on all aspects of Fund operation and management.

D. Meetings

1. The Board shall hold quarterly meetings at a minimum and may, upon call by the Chairperson, meet for special sessions. Special sessions are defined as meetings called in addition to the quarterly meetings. A special session must be scheduled by the Chairperson if requested by more than one-half of the voting Board members.

2. A quorum of all seven (7) voting members or their designated alternates is required to conduct meetings. If a voting member and their designated

alternate are both unable to attend a meeting, the voting member may direct, by a fully executed written proxy document submitted directly from the voting board member, another voting member to act and vote on their behalf. The proxy will fulfill the requirement for a quorum. The written proxy document must also be forwarded to the FTO Director prior to the meeting.

3. The Chairperson of the Board will provide a Recording Secretary for all Board meetings.

E. Meeting Agenda

1. Any organization of the Department involved with the Franchise Fund's activities may submit to the Board items which are pertinent to the work of the Board. All items for consideration will then be submitted to the Chairperson for review. The Chairperson will develop the meeting agenda. The Chairperson will ensure the timely distribution of the agenda to all affected parties.

2. The Board will request that all pertinent information on the problem at hand be submitted for their consideration in completed form either in writing or by oral presentation before the Board.

F. Official Correspondence

All official correspondence and minutes of the Board will be prepared in writing over the signature of the Chairperson, with copies distributed to Board members. The Board will determine any further distribution of correspondence and minutes.

G. Rules of Order

1. Meetings will be conducted on an informal basis under the leadership of the Chairperson of the Board.

2. Each voting member of the Board shall have only one vote, i.e,. alternates' votes are only counted when the primary member is not present.

3. Only the items identified on the agenda will be acted upon during a meeting. New areas may be addressed, but no action can occur until the item is formally introduced on the next agenda.

4. Passage of any action will require an affirmative vote by at least four (4) of the seven (7) voting members.

III. Franchise Fund Director

The Franchise Fund Director, who shall report to the Chairperson of the Board, is the Deputy Assistant Secretary for Finance and will be accountable to the Board for the overall financial operations of the Franchise Fund. The Franchise Fund Director shall be responsible for the following:

A. Advising the Board on the fiscal implications of policies.

B. Providing policy direction to the FTO Director.

C. Promoting the Franchise Fund at government and public sector forums.

D. Informing the Chairperson of major events and plans affecting the Franchise Fund.

E. Approving and signing the Annual Financial Statement.

F. Recruiting and supervising the FTO Director. This includes ensuring that the FTO Director fulfills all of the responsibilities conferred by this Charter.

IV. Franchise & Trust Fund Oversight Office Director

The FTO Director, who shall report to the Franchise Fund Director, will manage the budget process, ensure that policy is properly implemented, and share the results of financial analyses with the Franchise Fund Board of Directors. The FTO Director shall be responsible for the following:

A. Managing day-to-day operations of the FTO.

B. Developing and distributing the annual call for budget and rate estimates.

C. Analyzing and evaluating budgets and rates prepared by the Enterprise Centers.

D. Consolidating individual budgets into a total Franchise Fund Budget.

E. Reviewing operating reports to ensure costs are recovered and revenue is properly accounted for.

F. Ensuring that Franchise Fund reserves are properly recorded and applied.

G. Reviewing rates periodically to ensure proper recovery of costs.

H. Ensuring timely issuance of bills to customers.

I. Maintaining the business records of the Franchise Fund.

J. Reviewing procedures of the Enterprise Centers to determine compliance with VA financial and government-wide policies.

K. Preparing the annual financial statements and the Annual Report.

L. Working with the Enterprise Centers to ensure completion of the annual audit of the Franchise Fund's financial statements by an Independent Public Accountant.

M. Developing plan to ensure that all audit findings are resolved.

N. Developing written guidance to assist organizations upon entering the Franchise Fund and in submitting annual budgets and rates.

O. Arranging for quarterly Board meetings and ensuring timely distribution of the minutes; and, amending the Charter as directed by the Board.

P. Establishing and reporting on performance measures for the Franchise Fund.

Q. Assisting in marketing efforts for the Franchise Fund and its Enterprise Centers.

R. Serving as a consultant to customers of the Franchise Fund on all aspects of the its financial management and control.

S. Providing general oversight and establishing policy for the Franchise Fund.

V. Enterprise Center Directors

The Enterprise Center Directors are responsible for assuring the orderly and business-like management of their activities within the framework of laws and regulations affecting Government expenditures in general, and establishing and implementing such policies and procedures as may be necessary. They are also responsible for:

A. Providing designated service and supplies to customers.

B. Managing operations under the direction of respective parent organization.

C. Keeping the Board advised on the status of their policies, plans, and operations.

D. Presenting, on request of the Board, written or oral presentations of policies, plans, and problems affecting operations.

E. Providing data to the FTO Director necessary to support development of the budget requests and to evaluate the need for changes in user charges and fees.

F. Ensuring that budget estimates are developed and submitted to the FTO Director in a timely manner and that funds are spent only for the purposes approved.

VI. Franchise Fund Budget Committee

The Franchise Fund Budget Committee will serve as a working group for the Franchise Fund and will be comprised of representatives from each office represented on the Board. The Budget Committee responsibilities will include:

A. Monitoring and overseeing all rate setting functions conducted by the various Enterprise Centers.

B. Consulting with the Chairperson of the Board, the Deputy Assistant Secretary for Budget and appropriate office directors in the preparation, formulation and execution of the overall operating budgets for the Franchise Fund.

VII. Charter Amendment

A charter amendment must be approved by an affirmative vote by at least four (4) of the seven (7) voting members.

Franchise Fund Board of Directors Meeting Proxy

Voting Member Name	Name of Voting Board Member not in Attendance
Proxy Holder	Name of Voting Board Member Voting on the Behalf of Above

Franchise Fund Board of Directors Meeting Month, Day, Year		
Agenda Item	**Yes**	**No**
1. Agenda Item 1		
2. Agenda Item 2		
Signature:	**Date:**	

Business Operating Principles

Operating Principle	OMB Description
1) Services	The enterprise should only provide common administrative support services.
2) Organization	The organization would have a clearly defined organizational structure including readily identifiable delineation of responsibilities and functions and separately identifiable units for the purpose of accumulating and reporting revenues and costs. The funds of the organization must be separate and identifiable and not commingled with another organization.
3) Competition	The provision of services should be on a fully competitive basis. The organization's operation should not be "sheltered" or be a monopoly.
4) Self-sustaining Full Cost Recovery .	The operation should be self-sustaining. Fees will be established to recover "full cost," as defined by standards issued in accordance with FASAB (the Federal Accounting Standards Advisory Board).
5) Performance Measures	The organization must have a comprehensive set of performance measures to assess each service that is being offered.
6) Benchmarks	Cost and performance benchmarks against other "competitors" are maintained and evaluated.
7) Adjustments to Business Dynamics	The ability to adjust capacity and resources up or down as business rises or falls or as other conditions dictate, if necessary.
8) Surge Capacity	Resources to provide for "surge" capacity and peak business periods, capital investments and new starts should be available.

9) Cessation of Activity	The organization should specify that prior to curtailing or eliminating a service, the provider will give notice within a reasonable and mutually agreed time frame so the customer may obtain services elsewhere. Notice will also be given within a reasonable and mutually agreeable timeframe to the provider when the customer elects to obtain services elsewhere.
10) Voluntary Exit	Customers should be able to "exit" and go elsewhere for services after appropriate notification to the service provider and be permitted to choose other providers to obtain needed service.
11) FTE Accountability	Full Time Equivalents (FTEs) would be accounted for in a manner consistent with the Federal Workforce Restructuring Act and OMB requirements, such as Circular A-11.
12) Initial Capitalization	Capitalization of franchises, administrative service or other cross-servicing operations should include the appropriate FTE commensurate with the level of effort the operation has committed to perform.

Source: OMB and the CFO Council

Department of Veterans Affairs

Memorandum

Date: JUN 2 1 2006

From: Assistant Secretary for Management (004)
Senior Advisor to the Deputy Secretary and Supervisor, Office of Information and Technology (005)

Subj: Use of the Information Technology (IT) Systems Appropriation (EDMS 351139)

To: Under Secretaries, Assistant Secretaries, and Other Key Officials

1. The Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2006 (Public Law 109-114) created a new IT Systems appropriation to fund the development, acquisition, and maintenance of non-pay IT items. This change means IT project managers, budget officials, and finance officers are now required to make more specific funding allocations against both IT and non-IT appropriations and reimbursements in the course of documenting IT-related projects and services.

2. The Office of Information and Technology (OI&T) convened a working group comprised of participants from across the Department to develop standard policy, guidance, and definitions for what constitutes IT and what does not. Those products were provided to, and commented on, by the Administrations and staff offices. The results are attached to this memorandum. Attachment 1 is a narrative description focused on what VHA should and should not fund with the IT appropriation. Attachment 2 is a similar narrative description applicable to all other offices in VA. Attachment 3 is a more detailed list of specific items that should and should not be funded through the IT appropriation. Attachment 4 is the membership of the originating working group.

3. These attachments are a good first effort in clarifying IT definitions and will continue to be refined as we implement this new appropriation. Many of your field elements are now remapping obligations and expenditures to the new IT appropriation for this fiscal year, and we believe these attachments can be of immediate assistance. In this regard, please note that any item of equipment, whether IT or non-IT, that must be connected to a VA network operated and maintained by OI&T, or that will be used to store sensitive information, must be coordinated through the IT Acquisition Approval System, also called the IT Tracker.

4. If you have any questions, please have a member of your staff contact Leonard R. Bourget (OI&T) at 202-357-3940, Mark Seastrom (Office of Budget) at 202-273-5260, or Bill Walsh (Office of Budget) at 202-273-5243.

Robert J. Henke

Robert T. Howard

Attachments: 4

<u>Attachment 1</u>

Information Technology (IT) Systems Appropriation Definition for VHA

Purpose: To define IT and telecommunications purchases and services under Veterans Health Administration (VHA) operations that are to be charged to the central IT Systems appropriation or charged to one of the appropriate medical care appropriations.

The Congress established the IT Systems appropriation, to provide more direct control and more visibility over VA IT funding and management at the project level. The purpose of the new IT Systems appropriation is to focus on VA's IT investment in development and operations when they established the new IT appropriation. This account is a Department of Veterans Affairs (VA) central account for non-personnel, non-travel and non-training expenditures. To ensure that this new appropriation is used for the purposes intended by Congress, VA must establish a clear set of guidelines on the types of purchases and services that are included under the IT Systems appropriation.

VA has developed and will continue to develop a set of project level estimates (OMB Exhibit 300) that comprise the project level costs for both the IT Systems appropriation and the support appropriations (Medical Administration and Medical Facilities); however, it has become apparent that the definitions of the types of non-pay costs captured in those exhibits are inconsistent from project to project and within projects by location. The purpose of this paper is to clearly and concisely define those costs for VHA.

Federal IT personnel costs, along with the travel and training for the IT staff, are to be charged to the Medical Administration or the Medical and Prosthetics Research appropriation as appropriate.

Transportation of items will not be considered IT and will be charged to the appropriate support appropriation.

Leasing of space will be charged to the Medical Facilities appropriation.

Telecommunications costs will be charged to the central IT Systems appropriation, including leasing of lines, networks, phones, service related contracts, cell and satellite phones PBXs, blackberry and palm charges, video conferencing equipment, WAN charges and related maintenance contracts and repair charges will be included. Costs for consumable supplies such a fax paper, toner and batteries will be charged to the appropriate operational appropriations.

Furniture costs will continue to be charged to the Medical Facilities.
Medical and other non-IT equipment [1/] costs will continue to be charged to the Medical Service, Medical Facilities and Medical Administration appropriations as appropriate. Today, many medical devices incorporate computers in the system design to process information necessary to produce, store or transmit medical images and other medical data. These

devices are not budgeted as computer equipment and will continue to be budgeted as medical devices; therefore, they will not be included in the central IT Systems appropriation. Examples of these are x-ray, CT, MRI, ICU systems, drug dispensing machines, blood analyzers, lab equipment, dialysis, ultra sound, digital cameras and editing equipment, etc. See attached spreadsheet that further details IT and Non-IT items.

Copier and fax machine costs will continue to be charged to the appropriate operational appropriation even if a copier is connected to a network and is sometimes used as a printer.

IT staff office supplies will be charged to the Medical Administration appropriation at this time.

Computer equipment costs will be charged to the central IT Systems appropriation. The definition of IT equipments is not simply IT because it has a central processing chip inside it and it is connected to the network. Certain medical equipment is exempt from being included as IT equipment and is discussed in the paragraph following this one.

This will include the following types of equipment that should be charged to the central IT systems appropriation:

Hardware, [1/] data cables, LANs and networks, [2/] software, large digital storage devices, licensing costs, printers UPS systems if supporting computer equipment primarily.

- Cost of equipment that supports the electronic patient record and specifically VISTA Imaging.

- New and initial development work of medical systems will be classified as IT, upon roll out it will be classified as medical equipment. Recent examples of this would be Barcode Medication Administration (BCMA).

Medical equipment and other costs not charged to the central IT Systems appropriation. The following items will not be charged to the central IT Systems appropriation. They should be charged to the appropriated operational appropriation.

- The cost of medical equipment connected to the network. Including but not limited to: Picture Archiving and Communications Systems (PACS), Blood Bank Systems and BCMA among others will be classified as medical equipment.

- The cost of consumable supplies such as paper, batteries, CDs, DVDs, USB drives and toner.

- The cost of specialized equipment for the purpose of updating operating status such as a soda vending machine for inventory control, parking control systems, building fire alarm systems, elevator systems or security cameras or keyless access locks, etc.

- The cost of cabling for new construction or renovation construction if the project is not an IT replacement project (i.e., the cost of cabling is incidental to the overall's projects costs).

- The cost of radio equipment and digital cameras.

- The cost of background investigations.

Software: All VA developed software costs will be considered IT (excluding personal and related costs.) Commercially purchased software used for purposes of direct patient care is non-IT. This includes acquisition, licensing and maintenance costs for this software. This software is non-IT even if it is not FDA regulated. It is non-IT even if it runs on a standard PC or server. If the PC or server is dedicated to running non-IT clinical software, then the PC/server is also non-IT. If the PC/server is multi-function, then the software is non-IT but the PC/server is IT.

One VA Plus Fund and BuyIT.Gov: No 2006/07 IT Systems appropriations may be deposited into the One VA Plus Fund or the BuyIT.Gov Fund or similar time extending program. Prior year funds previously placed in the One VA Plus account or under the BuyIT.Gov program can continue to be used to support IT projects as originally envisioned.

Omnibus Reconciliation Act (OBRA) reimbursements for IT purchases will be included under the IT Systems appropriation**.**

Canteen purchases are not to be included in the IT Systems appropriation.

VA/DoD Joint Incentive Fund purchases are not to be included in the IT Systems appropriation.

General Post Fund purchases are not to be included in the IT Systems appropriation.

Compensated Work Therapy Program purchases that are exclusively supported by reimbursements from clients are not to be included in the IT Systems appropriation.

Supply Fund purchases are not to be included in the IT Systems appropriation.

Franchise Fund payments for Austin Automation Center (AAC) services by VA organizations are to be included in the IT Systems appropriation. The payments to other Franchise Fund Services Enterprise Centers excluding e-Payroll and e-Travel: Financial Services Center**,** Debt Management Center, Law Enforcement Training Center, Security & Investigations Center and VA Records Center & Vault are not to be included in the IT Systems appropriation. Finally, purchase of IT equipment by the Franchise Fund Enterprise Center Organizations for its own use are not to be included in the IT Systems appropriation.

[1/] For the purpose of IT budget formulation and execution, information technology equipment is defined as the equipment necessary to operate and support routine daily information processing including the medical center information systems, clinical/administrative (VistA) and financial (IFCAP/FMS). This equipment includes desktop computers, laptop computers, printers, servers, etc. and communications equipment to include routers, switches, hubs, data cabling, etc.

There are systems not considered information technology for budget formulation and execution. These include systems that incorporate computers but are dedicated to the delivery of care or special purpose systems like Picture Archiving and Communications Systems (PACS), Nurse call systems, BCMA, dictation systems, Fire Alarm Systems, Security systems, Elevator control systems, ICU monitoring systems and Cath Lab digital archiving systems, among others. However, generic use digital storage devices that store the elements of the electronic patient record will be classified as computer equipment.

Costs for developing a system with information technology resources, such as BCMA, will be charged to the central IT Systems appropriation as development costs. When the system becomes operational, the recurring costs are no longer considered information technology costs and will be charged to the appropriate operational appropriation.

[2/] Cabling will be included in the central IT Systems appropriation unless it is associated with Major and Minor Construction, Non-Recurring Maintenance Projects and Station Level construction projects.

Attachment 2

Information Technology (IT) Systems Appropriation Definition for VBA, NCA, IG & Staff Offices

Purpose: To define IT and telecommunications purchases and services under the General Operating Expenses (GOE), National Cemetery Administration (NCA) and Inspector General (IG) appropriations that are to be charged to the central IT Systems appropriation or charged to one of the Administration's non-IT appropriations.

Congress established the IT Systems appropriation to provide more direct control and more visibility over VA IT funding and management at the project level. The purpose of the new IT Systems appropriation is to focus on VA's IT investment in development and operations. This account is a Department of Veterans Affairs (VA) central account for non-personnel, non-travel and non-training expenditures. To ensure that this new appropriation is used for the purposes intended by Congress, VA must establish a clear set of guidelines on the types of purchases and services that are included under the IT Systems appropriation.

VA has developed and will continue to develop a set of project level estimates (OMB Exhibit 300s) that comprise the project level costs for both the IT Systems appropriation and the support appropriations (GOE, NCA and IG); however, it has become apparent that the definitions of the types of non-pay costs captured in those exhibits are inconsistent from project to project and within projects by location. The purpose of this paper is to clearly and concisely define those costs for VBA, NCA, IG and staff offices.

Federal IT personnel costs, along with the travel and training for the IT staff, are to be charged to the non-IT appropriation from which the employee is paid.

Transportation of items will not be considered IT and will be charged to the proper support appropriation.

Leasing of space will be charged to the to the Administration project owner's non-IT appropriation.

Telecommunications costs will be charged to the central IT Systems appropriation, including leasing of lines, networks, phones, service-related contracts, cell and satellite phones PBXs, Blackberries and Palm charges, video conferencing equipment, WAN charges and related maintenance contracts and repair charges. Costs for consumable supplies such a fax paper, toner and batteries will be charged to the proper operational appropriations.

Furniture costs are never to be charged to the IT appropriation.

Copier and fax machine costs will continue to be charged to the proper operational non-IT appropriation even if a copier is connected to a network and is sometimes used as a printer.

Office supplies will continue to be charged to the to the project owner's administrative non-IT appropriation.

Computer equipment costs will be charged to the central IT Systems appropriation. A piece of equipment is not considered computer equipment simply because it has a central processing chip inside it and it is connected to the network.

This will include the following types of equipment:

Hardware, [1/] cables, LANs and networks, [2/] software, large digital storage devices, licensing costs, printers and UPS systems if primarily supporting computer equipment.

The following items should be charged to the proper non-IT operational appropriation.

- The cost of consumable supplies such as paper, batteries, CDs, DVDs, USB drives and toner.
- The cost of specialized equipment for the purpose of updating operating status such as a soda vending machine for inventory control, parking control systems, building fire alarm systems, elevator systems or security cameras or keyless access locks, etc.
- The cost of cabling for new construction or renovation construction if the project is not an IT replacement project, i.e., the cost of cabling is incidental to the overall projects costs.
- The cost of radio equipment and digital cameras.
- The cost of background investigations.

See Attachment 3, which further details the items that can be acquired/maintained using the IT Systems appropriation.

Software: All commercially-purchased and VA-developed software costs will be considered IT.

One VA Plus Fund and BuyIT.Gov: No 2006/2007 IT Systems appropriations may be deposited into the One VA Plus Fund or the BuyIT.Gov Fund or a similar time-extending program. Prior year funds previously placed in the One VA Plus account or under the BuyIT.Gov program can continue to be used to support IT projects as originally envisioned.

Mandatory program and Omnibus Budget Reconciliation Act (OBRA) reimbursements for IT purchases for VBA will be included under the IT Systems appropriation.

IT products for delivery to Veterans provided by benefits programs under Title 38 authorities will not charged to the IT appropriation.

Supply Fund purchases are not to be included in the IT Systems appropriation. However, funds previously borrowed from the Supply Fund for IT-related purchases prior to fiscal year 2006 may continue to be repaid using the IT Systems appropriation until such time as the debt is retired and the loan balance is zero.

Franchise Fund payments for Austin Automation Center (AAC) services by VA organizations are to be included in the IT Systems appropriation. The payments to other Franchise Fund Services Enterprise Centers, excluding e-Payroll and e-Travel—Financial Services Center**,** Debt Management Center, Law Enforcement Training Center, Security and Investigations Center and VA Records Center and Vault—are not to be included in the IT Systems appropriation. Finally, purchases of IT equipment by the Franchise Fund Enterprise Center Organizations for its own use are not to be included in the IT Systems appropriation.

1/ For the purpose of IT budget formulation and execution, IT equipment is defined as the equipment necessary to operate and support routine daily information processing, including information systems, administrative and financial (IFCAP/FMS). This equipment includes desktop computers, laptop computers, printers, servers, etc. and communications equipment to include routers, switches, hubs, cabling, etc.

There are systems not considered IT for budget formulation and execution. These include systems that incorporate computers but are dedicated to special purpose systems like fire alarm systems, security systems and elevator control systems, among others.

2/ Cabling will be included in the central IT Systems appropriation unless it is associated with Major and Minor Construction, Non-Recurring Maintenance Projects and station level construction projects.

Attachment 3

Item Number	Item Description	2006 Definition
HARDWARE		
1	PC[1]	IT
2	Thin Client[1]	IT
3	Server[1]	IT
4	Printer[1] including Multifunction Devices[7]	IT
5	Laptop[1]	IT
6	Tablet PC/ Palmtop[1]	IT
7	Modem[1]	IT
8	Scanner[1]	IT
9	Tape Drive[1]	IT
10	Storage Systems (SAN, NAS)	IT
11	External Disk Drives	IT
12	PDAs (Palm, Blackberry)	IT
13	Networking Equipment (WAN, LAN, WLAN)	IT
14	Cyber and Information Security Servers and Appliances	IT
15	Telephone Systems (PBX, KSU, IP)	IT
16	Two-Way Radios (Police, Engineers, etc)	Not IT
17	Pagers	IT
18	Cell Phones	IT
19	Satellite Phones	IT
20	Handsets, Speakerphones, Conference phones	IT
21	Videoconferencing Endpoints	IT
22	Videoconferencing Bridges (MCUs)	IT
23	Supplies and Consumables (Storage media {USB drives,CD/DVD-R/RW}, paper, toner, batteries)	Not IT
24	Digital Cameras (Clinical or Otherwise), Editing Equipment	Not IT
25	Data Cables (copper, fiber, patch panels, etc)	IT
26	Overhead Paging Systems	Not IT
27	Nurse Call Systems	Not IT
28	Medical Systems Equipment (PACS, BCMA, VBEC, ICU, Lab, Rx, etc) [2]	Not IT
29	Dictation/Speech Recognition Systems	Not IT
30	Telemedicine Systems including Teleradiology, Telepathology, Telemental Health, etc (excluding videoconferencing equipment[3])	Not IT
31	Copiers	Not IT
32	Fax Machines	Not IT
33	Computer Room UPS/PDU Systems and UPS equipment for individual PC's, servers, etc.	Not IT
34	Facilities Management Systems (Building Controls, including Energy and Elevator Control Systems, Fire Alarm Systems, Video Surveillance, Physical Access Control, etc) [4]	Not IT
35	Satellite Communications (dishes/uplink)	IT

36	Diagnostic Workstations (Radiology)	**Not IT**
SOFTWARE		
37	Interfaces, Middleware	**IT**
38	Operating Systems	**IT**
39	Diagnostic Tools[6]	**IT**
40	Cyber and Information Security Tools	**IT**
41	Office Automation (Acrobat, Illustrator, OrgChartPro, etc)	**IT**
42	Medical Systems Software (OR, ICU, PACU, ED, etc) and Stand Alone software used for direct patient care, excluding VA developed[5]	**Not IT**
43	Core Information Systems (VistA, VI, Exchange, Vetsnet, HDR, HealtheVet, etc)	**IT**
44	Electronic Media Subscriptions	**Not IT**
45	Stand Alone Software not used for direct patient care	**IT**
46	Facilities Management Systems (Building Controls, including Energy and Elevator Control Systems, Fire Alarm Systems, Video Surveillance, etc) [4]	**Not IT**
47	USA Staffing: a web based HR assessment tool.	**Not IT**
ALL OTHER		
48	Major/Minor/NRM/Station Projects, not specifically to serve IT (Excl Activation)	**Not IT**
49	Maintenance Contracts for IT Hardware and Software	**IT**
50	Salaries/Training/Travel/Background Investigations/ Relocations for Staff That Support Items Listed Above as IT	**Not IT**
51	Microsoft Enterprise License for Windows, Office, SMS, SQL, Exchange, etc	**IT**
52	Cisco SmartNet Maintenance Contract	**IT**
53	VistA Maintenance & Expertise Center (VMEC)/VistA Imaging/Exchange	**IT**
54	Telecommunications Costs (Voice,Video, Data, both Local service and Long distance)	**IT**
55	Sentillion Vergence Software Maintenance	**IT**
56	RAI/MDS Software Maintenance	**IT**
57	AirFortress Hardware Maintenance	**IT**
58	Release of Information (ROI) Software Maintenance	**IT**
59	Compensated Work Therapy (CWT) Program	**Not IT**
60	General Post Fund (GPF)	**Not IT**
61	VA-DoD JIF/Demonstrations	**Not IT**
62	Veterans Canteen Service (VCS)	**Not IT**
63	VHA HEC w/VBA Appropriated Funds/Reimbursements	**IT**
64	QUERI (through ORD)	**Not IT**
65	Transportation of IT items	**Not IT**
66	Leasing of Space	**Not IT**
67	Furniture	**Not IT**
68	Office Supplies	**Not IT**

69	Cable installation is IT, unless the cabling is associated with a non-IT project (e.g., Major/Minor Construction or Non-Recurring Maintenance or station level projects).	**IT**
70	Supply Fund Purchases	**Not IT**
71	Printing and Reproduction	**Not IT**
72	Franchise Fund payments for Austin Automation Center	**IT**
73	Franchise Fund payments for other services excepting e-Payroll and e-Travel	**Not IT**
74	Franchise Fund Enterprise Organizations purchases of IT equipment for its own use are not to be included in the IT Systems Appropriation.	**Not IT**

[1] *This classification is exclusive of specific system components for non-IT systems. If the PC or server is dedicated to running non-IT clinical or facilities management systems software, then the PC/server is also non-IT. If the PC/server is multi-function (i.e., is used for direct patient care as well as administrative purposes), then the software is non-IT but the PC/server is IT.*
[2] *These systems are typically procured as a system versus separate components. For budget planning and execution, these systems are considered non-IT and upgrades/replacements to the systems are considered non-IT, likewise. Notwithstanding the foregoing, development work of medical systems will be classified as IT when developed internally, but upon rollout will be classified as medical equipment.*
[3] *Telemedicine modalities exclude videoconferencing equipment unless the videoconferencing equipment is exclusively used for patient care communications in real time.*
[4] *These systems are typically procured as a system versus separate components. For budget planning and execution, these systems are considered non-IT and upgrades/replacements to the systems are considered non-IT, likewise.*
[5] *All VA developed software costs will be considered IT. Purchased software used for purposes of direct patient care is non-IT. This includes acquisition, licensing and maintenance costs for this software. This software is non-IT even if it is not FDA regulated. It is non-IT even if it is runs on a standard PC or server.*
[6] *This excludes diagnostic tools used exclusively to maintain special equipment systems such as medical devices or building systems.*
[7] *As long as the multifunction device has a printer function, it will be classified as IT.*

Attachment 4

First Name	Last Name	Organization
Annar	Allibhai	005B1
Lisa	Baker	005B1
Brian	Barry	041 C/D
Len	Bourget	005P1
Bill	Burrow	VHA VACO 19A
Craig	Castonguay	VISN 20 CIO
Lisa	Ciolek	41B1
Monica	Congleton	047GA
Efrem	Daniel	005B1
Charles	De Sanno	VISN 3 CIO
Owen	Dolan	005B1
Gabriel	Duncan	005P2
Katherine	Fitzpatrick	AAC
Bruce	Geanaros	005N3
Charles	Gephart	VISN 16 CIO
Steve	Gorfain	VACO 10NG
Tina	Harmon	FSC Austin
Marguerite	Harry	OGC Budget
Blake	Henderson	VHA VACO 19A
Judy	Hightower	AAC
Randy	Kauffman	VBA Office of Resource Management (243D)
Paul	Kearns	VHA Deputy CFO
Karen	Kemmet	005P2
Kenneth	Korba	VHA VACO 10FL
Daniel	Krey	AMM NAC-Item Management
David	Kubacki	AAC
Jonathan	Lambert	047E7
Barbara	Latvanas	049A5A
Edward	Marks	VBA Office of Resource Management
Dan	Marsh	VHA Office of Information
Sheila	Marshall	005B1
Freddie	Martinez	0492A
Rom	Mascetti	047GA

James	McGaha	VHA Associate CFO
Bob	McKenna	0492
Greg	Mroz	53D
James	Nicholson	047E
Rotimi	Omotusho	047GA1
Todd	Peckarsky	041E
Linda	Pena	OFS
Eric	Raffin	VISN 21 Deputy CIO
Hank	Rappaport	VHA Washington OIFO
Jie	Ruan	005P1
Dennis	Sather	VHA VACO 19A
Mark	Seastrom	041E
Gary	Shaffer	005P2
Larry	Sherman	FSC Austin
Jeff	Shyska	VISN 21 CIO
Joanne	Skinner	047E3
Dennis	Snyder	OGC Information Systems Division
Alison	Spilman	41G1
Ralph	Strenglein	005P1
Ray	Sullivan	VISN 20 CIO
Steve	Swanson	047F
Curtis	Townsend	005S
Gary	Twedt	VISN 22 CIO
Bill	Walsh	041F
Tim	Weigel	005P1
Steve	Wexler	VACO 10NB
Estelle	Wiley	047E4
Robert	Wilson	047E3